

Senate File 402 - Introduced

SENATE FILE 402
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO SSB 1078)

A BILL FOR

1 An Act relating to insurance coverage for dental care services.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. **514C.3C Dental coverage —**
 2 **assignment of health insurance benefits.**

3 A person who is the owner of any rights or benefits under a
 4 policy or contract of insurance which provides for coverage of
 5 dental care services shall be permitted to assign all or any
 6 part of that person's rights and privileges under the policy or
 7 contract, including but not limited to the right to designate
 8 a beneficiary and to have an individual policy or contract
 9 issued in accordance with the terms of the policy or contract.
 10 Such assignment shall be without prejudice to the insurer on
 11 account of any payment the insurer makes or individual policy
 12 or contract the insurer issues before receiving notice of the
 13 assignment, provided that the insurer was acting in good faith.
 14 If written proof of an assignment of benefits is presented to
 15 an insurer, health maintenance organization, managed care plan,
 16 health care plan, preferred provider organization, or other
 17 third-party payor, then payment shall be made directly to the
 18 health care professional or health care facility providing the
 19 dental services. Nothing in this section shall be construed to
 20 prevent any persons from reconciling duplicate payments.

21 Sec. 2. Section 514J.103, subsection 1, Code 2013, is
 22 amended to read as follows:

23 1. Except as provided in subsection 2, this chapter shall
 24 apply to all health carriers, including health carriers issuing
 25 a policy or certificate that provides coverage for dental care.

26 Sec. 3. Section 514J.103, subsection 2, paragraph a, Code
 27 2013, is amended to read as follows:

28 a. A policy or certificate that provides coverage only for a
 29 specified disease, specified accident or accident-only, credit,
 30 disability income, hospital indemnity, long-term care, ~~dental~~
 31 ~~care,~~ vision care, or any other limited supplemental benefit.

32 EXPLANATION

33 This bill relates to insurance coverage for dental care
 34 services.

35 New Code section 514C.3C provides that a person who owns

1 rights or benefits under a policy or contract of insurance
2 which provides for coverage of dental care services must be
3 allowed to assign any or part of that person's rights and
4 privileges under the policy or contract, including the right
5 to designate a beneficiary and to have an individual policy or
6 contract issued. The assignment is without prejudice to an
7 insurer that makes a payment in good faith under the policy
8 or contract before receiving notice of the assignment. If
9 written proof of the assignment of benefits is presented to an
10 insurer, health maintenance organization, managed care plan,
11 health care plan, preferred provider organization, or other
12 third-party payor, the payment for coverage of dental care
13 services shall be made directly to the health care provider
14 providing the services. The section shall not be construed to
15 prevent reconciliation of duplicate payments.

16 Code section 514J.103 is amended to provide that decisions
17 of health carriers issuing a policy or certificate that
18 provides coverage for dental care are subject to the external
19 review provisions of Code chapter 514J, and the chapter is also
20 applicable to a policy or certificate that provides coverage
21 only for dental care.